

California Energy Commission,

This letter is written in response to your workshop of April 14, 2011.

Gridnot corporation recommends the following:

- **Restart the fuel cell program immediately and separate it from the wind issue. They should be a stand-alone item.**
- **Immediately start processing and returning R1's sent before March 4th. The waiting to release of all applications at the same time creates an unnecessary crunch on the system. Processing the R2 in a continuous and timely manner is a priority. We have a lot of contractors, who currently have no work, waiting the funding of the existing projects. We estimate being able to hire at least 400 people, immediately.**
- **The spirit of this program seems to be aimed at fostering emerging technologies. Mike Bergey and company spent a lot of meeting time establishing that they were industry veterans with 30 years of experience. By definition, this does not seem to be "emerging". They are "established" with money to pay for expensive tests. Perhaps they should be de-listed.**
- **Do not exclude small companies from participation in state rebate programs. Mike Bergey made his case for only allowing people who are affiliated with a certain testing company to be allowed to get rebates. This seems to be unfair.**
- **Do not remove any systems from the current "approved" list. Let the market gravity determine who stays in business.**

- **We would like to recommend that you follow a hybrid model for the rebate program. We suggest you give out 70% of the rebate in the beginning the remaining 30% based on 1 year of production. Using actual utility data is preferable to computer models.**
- **Whatever you do, please do it quickly. While we are waiting, we aren't bringing in any revenue. Our work forces are on commission and not getting paid. Some are having difficulty meeting basic living expenses and we are having difficulty holding on to them.**

Stephen Smith
President, Gridnot

Eugene Buchanan
Vice President, Gridnot